Agenda Date: September 28, 2005

Item Number: C2

Docket: PG-050933

Rulemaking – Gas Companies - Safety

Staff: Sondra Walsh - Team Lead

Don Trotter – Assistant Attorney General Ann Rendahl – Administrative Law Judge

Recommendation:

Direct the Secretary to file a Notice of Proposed Rulemaking (CR-102) with the Office of the Code Reviser in Docket No. PG-050933 proposing corrections and changes to newly adopted rules in chapter 480-93 WAC.

Background:

Chapter 480-93 WAC governs the safety of gas pipeline companies and their operations. The Commission adopted substantive changes to the chapter, which became effective on June 2, 2005. In August 2005, the Commission initiated the present rulemaking by filing a CR-101 form with the Office of the Code Reviser to correct and make minimal changes to the recently adopted rules. Because the focus of the rulemaking is to correct minor errors or clarify certain portions of the recently adopted rules rather than make substantive changes to the rules, the Commission has sought only written comments on the rules in question.

The Rulemaking Process:

After the Commission filed the CR-101 form with the Code Reviser's Office, the Commission mailed notice of the initiation of the rulemaking, and the opportunity to provide written comments to all members of the regulated industry and their representatives, as well as other interested persons. Cascade Natural Gas (Cascade) and the Northwest Industrial Gas Users stated their interest in the rulemaking, and Puget Sound Energy (PSE) submitted written comments.

After the Commission circulated a draft of suggested changes to WAC 480-93-005(18), WAC 480-93-017, WAC 480-93-178(5), and WAC 480-93-200, the Commission received comments from Cascade, PSE, and Avista Utilities, supporting the proposed changes and suggesting additional changes to WAC 480-93-200.

Rule Discussion:

The proposed rule changes are attached to this memorandum as Attachment A. The proposal affects the following rules:

- WAC 480-93-005(18) **Definitions:** Clarifies the definition of "prompt";
- WAC 480-93-017 Filing requirements for design, specification, and construction procedures: Changes the language from "operating" to "intending to operate" a gas pipeline facility;
- WAC 480-93-178(5) Protection of plastic pipe: Adds the language "such as inserting the plastic pipeline in conduit." This language was included in section (4) of the recently adopted rules and inadvertently left out of section (5). The language provides an operator with an example of taking precautions to protect the pipe if providing six or twelve inches of separation is not feasible.
- WAC 480-93-200 Reporting requirements for operators of gas facilities: Changes the following sections:
 - 1. Section 1 (e): Changes the number of customers from 20 to 25;
 - **2.** Section 6: Adds language clarifying that the requested reports are due no later than March 15, for the preceding calendar year, as suggested by PSE and Avista.

Small Business Environmental Impact Statement (SBEIS):

Pursuant to Chapter 19.85 RCW, the Regulatory Fairness Act, Commission Staff reviewed the requirements for preparing a SBEIS. There is no financial impact, therefore, an SBEIS is not required.

Conclusion:

Staff recommends that the Commission direct the Secretary to file a Notice of Proposed Rulemaking (CR-102) with the office of the Code Reviser in Docket No. PG-050933 proposing changes to rules in chapter 480-93 WAC, the rules relating to the regulation to the safety of gas company operations.

Attachment